Occupation Forecast

Before using the data in these reports, readers should understand the methodology and note its limitations. The projections presented should be viewed as indicators of relative magnitude and probable direction rather than as forecasts of absolute occupational demand. Furthermore, the occupational forecasts are only measures of expected employment and demand for labor and indicate little about future labor supply. It is therefore recommended that these data be used with other sources of occupational information.

Employment projections provided in this publication were developed by the Economic Analysis Office (EAO) within the Office of Employment and Population Statistics (EPS) of the Arizona Department of Administration (ADOA). The data used in the projections process was developed by the US Department of Labor, Bureau of Labor Statistics (BLS) in cooperation with the Labor Statistics Office (LSO) within EPS.

The occupation projections are broken down by the state and sub-state geographic regions. These include the state of Arizona and the metropolitan statistical areas (MSA) of Phoenix and Tucson. The Phoenix MSA consists of the counties of Maricopa and Pinal while the Tucson MSA includes Pima County. The Balance of State (BOS) region includes all of the counties of the state of Arizona with the exception of Maricopa, Pinal and Pima.

Methodology:

1. Industry employment data for the state and sub-state areas is compiled from the BLS data programs of Current Employment Statistics (CES) and Quarterly Census of Employment and Wages (QCEW). These programs survey and capture data only on those establishments that are covered by the unemployment insurance programs. Hence, covered employment does not include self-employed, unpaid family workers or agricultural workers.

2. A fraction of the industry employment is assumed to be self-employed, unpaid family workers, or agricultural workers. The fraction is determined from national surveys and is added to the state and sub-state industry employment data.

3. Each industry's total employment (covered + self-employed or unpaid family workers) is calculated by adding the data described in steps 1 and 2.

4. Occupational projections are driven by the industry projections. Historical total employment data for each industry along with other information is used to generate industry level forecast. The base year of the forecast refers to the last year of historical data used in projections. These industry forecasts serve as the starting point for occupational projections. For more information on the industry employment projections methodology, please see the following document: (Insert hypertext link here). Industry employment projections press releases and data are available at http://www.azstats.gov/employment-forecasts.aspx .

5. BLS Occupational Employment Survey (OES) program provides staffing patterns data for the state and sub-state areas. Staffing pattern ratios show how an occupation employment is distributed in an industry and the occupation's share in the industry's total employment.

6. Industry projections are used in conjunction with staffing patterns to determine occupational projections for each geographic region in the base and forecast year.

7. Occupation employment is measured at two points in time, the base year and the forecast year for all the geographic regions. Occupational employment growth is a function of new openings due to growth and openings due to separations (replacement). To avoid the possible disclosure of confidential employer information, some employment data is suppressed.